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READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDINGFEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159Approved by OMB
3000-0589
Page No. 1 of 2

(1) LOCKBOX # 979091		FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE FORM 159	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (If paying by credit card enter name exactly as it appears on the card) Eagle Telephone System, Inc.		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$965.00	
(4) STREET ADDRESS LINE NO. 1 349 1st Street			
(5) STREET ADDRESS LINE NO. 2 PO Box 178			
(6) CITY Richland		(7) STATE OR	(8) ZIP CODE 97870
(9) DAYTIME TELEPHONE NUMBER (include area code) (541) 893-6111		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0004523817		(12) COUNTRY CODE (if not in U.S.A.)	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Eagle Telephone System, Inc.			
(14) STREET ADDRESS LINE NO. 1 349 1st Street			
(15) STREET ADDRESS LINE NO. 2 PO Box 178			
(16) CITY Richland		(17) STATE OR	(18) ZIP CODE 97870
(19) DAYTIME TELEPHONE NUMBER (include area code) (541) 893-6111		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0004523817		(22) COUNTRY CODE (if not in U.S.A.)	
COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$965.00	(27A) TOTAL FEE \$965.00		
(28A) FCC CODE 1	(29A) FCC CODE 2		
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE		
(28B) FCC CODE 1	(29B) FCC CODE 2		
SECTION B - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Richard A. Finnigan</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>[Signature]</u>		DATE <u>12/22/08</u>	
SECTION C - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD <input type="checkbox"/> VISA <input checked="" type="checkbox"/> AMEX <input type="checkbox"/> DISCOVER <input type="checkbox"/> ACCOUNT NUMBER _____ EXPIRATION DATE <u>09/09</u> I hereby authorize the P _____ SIGNATURE _____ DATE <u>12/22/08</u>			

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

Application of

Midvale Telephone Exchange, Incorporated,

Transferor,

and

Eagle Telephone System, Inc.,

Transferee,

For Consent for Transfer of Control

WC Docket No. _____

APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and Section 63.04 of the Commission's rules, 47 C.F.R. § 63.04, Midvale Telephone Exchange, Incorporated ("Midvale") (the "Transferor") and Eagle Telephone System, Inc. ("Eagle") (the "Transferee"), with Midvale and Eagle together constituting the "Applicants" hereby file this Application. Midvale and Eagle hereby apply for Commission consent to transfer control of that certain service area known as Conner Creek, which is described more fully on Exhibit 1, attached hereto and incorporated herein by this reference.

The proposed transaction contemplates acquisition of the customer base and outside plant used to provide service in the Conner Creek area. Midvale currently serves fewer than two percent (2%) of the nation's access lines. With the acquisition, Eagle will

also serve fewer than two percent (2%) of the nation's access lines. After the transaction, Midvale will provide telecommunications service in the Harper and Juntura exchanges in Oregon located at least 50 airline miles from Eagle's service area and much further by highway miles and are not adjacent to Eagle's service area. In addition, Midvale provides service in the State of Idaho in areas not adjacent to Eagle's service area in the Midvale exchange. Eagle provides local exchange, and exchange access within the Eagle service area located in northeast Oregon. Service to customers in the Conner Creek area will be provided at substantially the same rates, terms and conditions as are in effect today. Therefore, the proposed transaction will be largely transparent to existing customers. For these reasons, and for the reasons detailed below, the transaction will serve the public interest and the Commission should grant this Application on a streamlined basis.

In accordance with the requirements of Section 63.04 of the Commission's rules, the Applicants provide the following information:

- (1) Name, address, and telephone number of each applicant.

Transferor:

Midvale Telephone Exchange, Incorporated
PO Box 10
Midvale, ID 83645
(208) 355-2211

Transferee:

Eagle Telephone System, Inc.
349 1st Street
Richland, OR 97870
(541) 893-6111

- (2) State under the laws of which each applicant is organized.

Midvale is a corporation organized under the laws of the State of Idaho.

Eagle is a corporation organized under the laws of the State of Oregon.

- (3) Legal counsel to whom correspondence concerning the application is to be addressed.

For Transferor:

Richard A. Finnigan
2112 Black Lake Blvd SW
Olympia, WA 98512
(360) 956-7001

For Transferee:

Richard A. Finnigan
2112 Black Lake Blvd SW
Olympia, WA 98512
(360) 956-7001

- (4) Name, address, citizenship, and principal business of entities that own at least 10 percent of the equity of the applicants (to the nearest 1 percent).

For Transferor:

Mr. Lane Williams owns 50 percent of the equity of Midvale. Mr. Williams is involved in the management of Midvale at the address set forth above for Midvale. Mr. Williams is a citizen of the United States of America.

The remaining 50 percent equity is held by the Estate of Shirley Archer. The beneficiaries of the estate are all United States citizens.

No other person or entity owns a 10 percent or more direct or indirect interest in Midvale.

For Transferee:

Mr. Robert Lattin owns 94 percent of the equity of Eagle. Mr. Lattin is involved in the management of Eagle at the address for Eagle set forth above and is a citizen of the United States of America. No other person has a 10 percent or more direct or indirect interest in Eagle.

- (5) Certification pursuant to Sections 1.2001 through 1.2003 that no party to the application is subject to a denial of Federal benefits.

By their signatures below, the Applicants certify that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

- (6) Description of the transaction.

On July 13, 2007, Eagle and Midvale entered into a Purchase and Sale Agreement under which Eagle would acquire the entire customer base and all outside plant in the Conner Creek area. There are currently 22 customers in the Conner Creek area. Eagle plans to build new, state-of-the-art outside plant facilities to serve the Conner Creek area.

- (7) Description of the geographic areas in which the Transferor and Transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.

Midvale provides local exchange, exchange access, broadband Internet access and other advanced services in the Harper and Juntura wire centers located in Oregon and the Midvale wire center located in Idaho. Midvale is a rural incumbent local exchange carrier. Midvale serves approximately 3,050 access lines as of September 30, 2008.

Eagle provides local exchange, exchange access, broadband Internet access and other advanced services in the Richland wire center located in the northeast portion of the State of Oregon. Eagle serves 456 access lines as of September 30, 2008.

- (8) Statement on how the application fits into one or more of the presumptive streamlined categories or why it is otherwise appropriate for streamlined treatment.

This application is eligible for presumptive streamlined treatment under Section 63.03(b)(2)(iii) of the Commission's rules, or in the alternative, is otherwise appropriate for streamlined treatment.

Under Section 63.03(b)(2)(iii), the Commission's streamlined procedures are presumed to apply where "the applicants are incumbent independent local exchange carriers ... that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas."¹ Midvale is an incumbent local exchange carrier which serves fewer than two (2) percent of the nation's subscriber lines. Upon acquisition of the stock, Eagle will be an incumbent local exchange carrier serving fewer than two (2) percent of the nation's subscriber lines. In addition, since there are no overlapping service areas and no adjacent service territories, the proposed transaction accordingly falls within the presumptively streamlined category.

Alternatively, streamlined treatment is appropriate under the Commission's "case-by-case approach."² Indeed, the Commission has adopted a "general rule in which all applications are eligible for streamlined processing," finding that such general eligibility for streamlined processing "best reduces regulatory burdens on domestic telecommunications carriers, while at the same time ensuring that we continue to serve the public interest under section 214 of the Communications Act."³

¹ 47 C.F.R. § 63.03(b)(2)(iii).

² *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, Report and Order*, 17 FCC Rcd 5517 ¶34 (2002) ("*Streamlining Order*"); see also 47 C.F.R. § 63.03(a) (permitting streamlining "[u]pon determination ... that the application is appropriate for streamlined treatment").

³ *Streamlining Order* ¶34.

This application should be subject to streamlined processing because it involves only a transfer of equity interests, and presents no "novel questions of fact, law, or policy which cannot be resolved under outstanding precedents and guidelines."⁴ As noted above (and discussed more fully below), this application presents no competitive or public interest concerns. Upon completion of the proposed transactions, Midvale will continue to provide service at substantially the same rates, terms and conditions as are in effect today. No customer will lose service or be adversely affected as a result of the proposed transaction. Because this transaction poses no competitive concerns and raises no novel issues, this application is appropriate for streamlined treatment.

- (9) Identification of all other Commission applications related to the same transaction.

Midvale filed a Section 63.17 Application to discontinue service.

- (10) Statement whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.

The Applicants are not requesting special consideration of the application.

- (11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.

The Applicants are seeking a study area waiver to conform their service areas for universal service purposes with the provisions that accompany the exchange of this property. The study area waiver is filed as Joint Petition for Expedited Waiver and was filed on October 27, 2008.

- (12) A statement showing how grant of the application will serve the public interest, convenience, and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.

The Conner Creek area is located some distance from Midvale's other operations. It is an area that is much closer to Eagle's existing service area than it is to

⁴ *Id.* ¶28.

the rest of Midvale's service area. As a result, customer service restoration is more difficult for Midvale to accomplish than for Eagle. In addition, it is difficult given the distance from Midvale to provide advanced services to this area. Eagle is able to provide broadband Internet access to this area.

In contrast to the substantial potential benefits, the proposed transaction poses no countervailing harms. Upon consummation of the proposed transaction, Eagle will provide service at substantially the same rates, terms and conditions as are in effect today. There will be no reduction, impairment, or discontinuance of service to any customer as a result of the proposed transaction. The customers will have access to broadband services they do not have access to today. The customers are required to change their number to reflect the inclusion of the Conner Creek area within the Richland exchange. Although this is some inconvenience to the customers, each of the customers has been contacted and after the benefits of the transaction have been explained to the customers, the customers have voiced a willingness to be assigned a new number. Because of this, the proposed transaction will be largely transparent to Midvale's current customers.

For all of the foregoing reasons, the proposed transaction will serve the public interest and this application should be granted on a streamlined basis.

Payment in the amount of \$965.00, along with FCC Form 159, was transmitted to the Federal Communications Commission, Wireline Competition Services CPD214Appls., P.O. Box 358145, Pittsburgh, PA 15251-5145 for delivery this date.

An original and five copies of this Application are enclosed for filing. To acknowledge receipt, please stamp and return one copy of this Application enclosed for that purpose. Please contact the undersigned with any inquiries concerning this Application.

Respectfully submitted,

Midvale Telephone Exchange,
Incorporated

Eagle Telephone System, Inc.

By: [Signature]

By: _____

Its: CEO

Its: _____

Dated: December __, 2008

Respectfully submitted,

Midvale Telephone Exchange,
Incorporated

Eagle Telephone System, Inc.

By: _____

By:  _____

Its: _____

Its: V.P. AM 6.1

Dated: December 19, 2008

EXHIBIT 1

In the State of Oregon:

Beginning where the Snake River serves as the border between Oregon and Idaho crosses the northern section line of Section 19, Township 11 South, Range 46 East, W.M., as the True Point of Beginning; thence proceeding westerly along the said Northern section line in a westerly direction to the Northwest corner of Section 24, Township 11 South, Range 45 East; thence South along the Western section line of said Section 24 to the Southeast corner of Section 35, Township 11 South, Range 45 East, W.M.; thence West along the Southern section line of said Section 35 to the Northwest corner of Section 4, Township 12 South, Range 45 East; thence South along the Western section line of said Section 4 to the Southeast corner of Section 20, Township 12 South, Range 45 East; thence West along the Southern section line of said Section 20 to the Southwest corner of said Section 20; thence South along the Western section line of Section 29, Township 12 South, Range 45 East, W.M.; thence continuing South to the Southwest corner of Section 5, Township 13 South, Range 45 East; thence along the Southern section line of said Section 5 to the point where the Snake River forming the boundary between the States of Idaho and Oregon crosses the Southern line of Section 4, Township 13 South, Range 45 East, W.M.; thence northeasterly along the midpoint of the Snake River as it exists in September of 2008, forming the boundary between the States of Oregon and Idaho, to the True Point of Beginning, Baker County, Oregon.

In the State of Idaho:

Beginning at the point that the Snake River crosses the southerly section line of Section 14, Township 14 North, Range 7 West, B.M., in the State of Idaho, County of Washington, as the True Point of Beginning; thence proceeding East to the Southeast corner of Section 13, Township 14 North, Range 7 West, B.M.; thence proceeding North along the East section line of said Section 13 to the Northeast corner of Section 1, Township 14 North, Range 7 West, B.M.; thence West along the North section line of said Section 1 to the point that the Snake River crosses said section line; thence following the midline of the Snake River as it exists as of September of 2008 and forms the border between the States of Oregon and Idaho southwesterly to the True Point of Beginning, Washington County, Idaho.

Law Office of
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2112 Black Lake Blvd. SW
Olympia, Washington 98512
Fax (360) 753-6862

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(360) 956-7001
rickfinn@localaccess.com

Kathy McCrary, Paralegal
(360) 753-7012
kathym@localaccess.com

December 23, 2008

VIA FEDERAL EXPRESS

U.S. Bank
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101

Re: Midvale Telephone Exchange, Incorporated and Eagle Telephone
System, Inc. - Domestic 214 Application

Dear Sir/Madam:

Enclosed are the original and six copies of Form 159 and the Application
between Midvale Telephone Exchange, Incorporated as Transferor and Eagle
Telephone System, Inc. as Transferee.

Please date stamp and return one copy of the Application to me.

Please let me know if you have any questions.

Sincerely,



RICHARD A. FINNIGAN

RAF/km
Enclosures

cc: Steve Child (via e-mail)
Mike Lattin (via e-mail)
Cindy Melillo (via e-mail)
Dennis Johnson (via e-mail)
Tracy Wilson-Parker (via e-mail)
Rodney McDonald (via e-mail)
Jodie May (via e-mail)